

The National Intelligence

Published by the Director of Control Intelligence for Named Principals Unity

TOP SEC NOFORN BROOM

Copy No. 222

THURSDAY 5 JANUARY 1978

NR

## South America: Military Role and Prospects

Recent speculation that the political trend in South America is toward a trend in South America is toward a phased return from military to civilian rule in premature. Talk of political "liberalization" is under way in each of the eight countries now ruled by the the eight countries now ruled by the military, but the armed forces are likely to remain entrenched for at least the next five years in the governments of Argentina, Brazil. Chile, Paraguay, There and Unserner From to Bulleton Peru, and Uruguay. Even in Bolivia and Ecuador, which have announced plans Ecuador, which have announced plans for the restoration of civilian rule this year, the military is likely to continue

providing at least some direction to government.

South American military governments have been fairly successful in restoring order to societies threatened by Com-munism and anarchy. These regimes are now coming under increasing domestic and foreign pressure to return their countries to constitutional rule. They are tree to constitutional rule. They are wrestling with new dilemmas: How will choos and confusion be prevented in the future? Who will hold power and occupy the presidency? The military institutions, in one guise or another, will themselves

provide the answers. Until recently, South American 1.5 military governments were usually transitional; they ruled a few years and then restored civilian rule when it became obvious that they could not solve the country's problems or when serious splits developed that threatened the unity of the military institution itself.

Now, however, armed forces leaders in most of South America have come to see the military as the only institution capable (See South America. . .Page 2)

TOP SECRET

TOP SECRET

## South America: Military Pole...

From Page 1 of providing the order and management necessary in a period of rapid social and economic change. A genuine concern for the well-being of the populace has characterized the military intrusion into civilian affairs in much of the area. Most military governments now see themselves not only as defenders, but also as developers of the nation and, despite some disclaimers, are reluctant to give up this

The politically sophisticated military men of Argentina, Brazil, Chile, and Peru, in fact, are still mostly convinced that they can do the job and that circumstances demand new methods and institutions:

1.5C

There is, as might be expected, some disagreement within the military institutions, and all except Argentias and Brazil have announced timetables for a return to civilian rule. Such plans, often carefully conditioned, appear for the most part to be ploys designed to deflect domestic and foreign criticism.

Bolivia and Ecunder

Bolivia and Ecuador are institutionally among the weakest countries on the continent and probably the most unprepared for the political responsibility required of a nation with a freely elected government. Both, however, have announced plans for a return to civilian rule in 1978. The dilemma for both is how the process is to be accomplished in an orderly fashion, who wiil rule, and what will be the future role of the military. Right sow, the persistence of these beaic questions raises considerable doubt about whether civilians will be back in control any time soon.

soon.

Belivien President Banzer had expected to retire from the military, put together a civilian-backed political coalition, and run for the presidency in an election this year. Resistance to nis plans within the military apparently convinced him that he had insufficient backing. His recent anouncement that he does not intend to run for the presidency may have been a genuine gesture to assure his place in Bolivian history—getting out while he is still ahead.

Banzer is proud of his achievements—particularly the political stability he has given the country—and wants to preserve them. The President probably does not intend to retire from power, but rather to operate from behind the scenes. To this end, he has assumed the position of commander-in-chief of the armed forces. He will occupy this position during the "transitional administration" (1978-1982) between military and civilian governments when the military will play a tutorial role.

The President recently has been promoting the presidential candidacy of his long-time protege. General Juan Pereda. Banzer is likely to maintain a very active political role and probably will step in again if he determine

Ecuadorean President Poveda's commitment to return his nation to civilian rule appears premature. Neither the military nor most of the civilian politicians seem to have thought through how the process would work. In November, the government announced that the presidential election would be postponed, apparently to thwart Assa Ducaram, the front-running populist candidate who has long been anathema to the military.

resident Poveda has now announced that a new president will be elected on 16 July. The balloting will be overseen by a civilian tribunal that will enforce the election guidelinea, which do not exclude Bucaram.

With government encouragement, a



broadly based coalition comprised of 11 disparate parties has been formed to deny Bucaram a victory at the polls. The coalition is likely, however, to have difficulty in agreeing on a viable candidate. Should the group fall to block Bucaram, the military men implacably opposed to him doubtless will attempt a coup to abort the

on process.
The Other Military Regimes

Aware that compliance with the US human rights policy includes at least some homage to the idea of democratic government, military rulers in the other countries are likely to continue to talk of constitutionality and democracy—but to do little about them.

In Argentiae the armed forces are convinced that their intervention in 1976 was the only way to stem the deterioration caused by civilian mismanagement, corruption, and demagoguery. They saw an attractive alternative—a real, national reorganization under the auspices of the armed forces.

Since their takeover, the generals have made demonstrable progress against the twin problems—leftlist terrorism and economic disorder—they had singled out for priority treatment. President Videla has maintained from the start that has mentained from the start that the armed forces will retain power until the economy has been revitailized and the terrorists eliminated. He says the government that eventually replaces the military regime will be a representative demonstrative demonstrative

time to schieve.

Chilean President Pinochet has announced that civilian rule will be restored in the mid-1980s. In the meantime, he has been working to provide a constitutional foundation for military rule. Chilean leaders have made it clear that there will be no change in government until after the economic situation improves, and then only under terms dictated by the armed forces. Pinochet has said that the "creation of a new democracy will take a long time because each idea must be becausely serviewed."

thoroughly reviewed."

Brazil, under military rule since 1964,

has been South America's model for military intervention. Weary of the demagoguery and attendant unrest of auccessive civilian administrations, and anxious to ensure a long period of continuity to pursue ambitious development goals, the Brazilian military opted to retain power indefinitely. It sholished the traditional parties, installed its own closely controlled two-party system, and deprived congress of its prerogatives. State governors and mayors of important cities are, in effect, handpicked by the President.

Four consecutive military presidents have been able to channel the nation's resources and energies into a drive for rapid economic and industrial modernization. Although the Brazilian "revolution" has become somewhat frayed in recent years, it is unlikely that the generals will turn the government over to civilians any time soon. If the economic situation deteriorates, there will be some pressure within the military to get out of government, but there probably will be more pressure on them to see the problem through.

The Brazilian experience was copied somewhat by the Peruvian high command, which deposed an ineffectual liberal democratic government in 1968. The

generals ahandoned their traditional function of arbitrating among the civilian politicians and assumed a dominant role by placing themselves directly in the policymaking process and trying to implement long-term plans for economic and social development.

President Morales Bermudez has initiated a dialogue with civilian politicians, and he talks of holding elections in 1980. Peru's severe economic problems, however, could prevent any quick return to civilian rule. The military may be 'the only organization with enough muscle to enforce the austerity measures nocessary to keep the country economically viable.

Uruguay differs from the others in that the military takeover was gradual. In cooperation with then President Bordaberry, who had been elected in 1971, the military engaged in an ultimately successful campaign to eliminate the Tupamaroa, one of the world's bestorganized guerilla movements. The generals became convinced that corruption and Communiat infiltrators were destroying the country's political and economic institutions, and they began to play an increasing role in politics.

The military drove the Communists into hiding, destroyed the power of the labor movement, and eliminated leftist influence in the university. After trying to rule through Bordaberry, they finally ousted him, installed a civilian figurehead as president, and worked to restructure the government.

President Mendez recently said that elections for a civilian government will be held in November 1981. The traditional political parties probably will not be consulted on the nature of the "new order" that will be dictated by the military.

Paragayan President Stroesaner prodates the current trend in Latin American military rule and retains authority as an individual. Last year, the constitution was amended to permit him a fifth term in office. Stroesaner will never permit a civilian takeover.

The Governments of the Future

The military will remain for the foresceable future the only institution with the discipline, power, and ability to impose an orderly governmental system on the volatile societies in most of South America. The armed forces are unlikely to resume their former role as mere guarantors of the constitution.

Instead, the South American military regimes in the next several years are likely to seek more domestic popular support and greater political legitimacy. They will encourage civilians to engage in dialogue with the military rulers and will make

some obeleance to human and civil rights.

Presidents designated by the military regimes may run for "election" as civilians, thus acquiring more legitimacy for the regime. Whatever method is chosen, however, the military is likely to remain the ultimate political power for the foresceable future.

NR

NR

----

## Chile: Pinochet Victory

Chilean President Pisachet appears to have won a handsome personal vic-

1.5C

Chilean President Pinoches appears to have won a handcome personal victory in yesterday's plebiacite. The vote surpassed his own best hopes for the outcome. The latest available figures indicate that about 75 percent of the voting populace approved h's rule.

We expect Pinochet simply to Ignore critics of the voting process, which was heavily loaded to ensure a favorable result. He will make the most of the victory as evidence of the regime's legitimacy and of his own political wisdom. In months to come, Pinochet is likely to have reason to regret this exercise in months to coree, Pinocene is likely to have reason to regret this exercise in manipulating public opinion, which probably has raised political expectations that the government will not want to meet. But for now, Pinochet is in a privileged position.

Having consolidated his superior posi-tion in the junta, Pinochet will have a free hand in many areas. Probably at least the more outspoken of his critics on the junts. Air Force General Leigh, will be obliged to retire. Another Junta member, Admiral Merino, might also step aside.
Pinochet's win will galvanize support in

the military, where doubt about his judg-ment and leadership was beginning to spread.

Options on the domestic scene are broader. Pinochet is almost certain to be proader. Pinochet is atmost certain to be tougher toward opponents in political and labor circles. Press reports quote him as asying, in a victory statement late last night, that there is no longer any need for elections in Chile, and that the curfew and state of siege will continue.

Elated by the promiser designation of in-

state of siege will continue.
Elated by the popular denigration of international criticism, he said last night
that no UN Commission will be allowed
to visit Chile. He might go so far as to pull
thile out of the UN, but is more likely to
wait to see what impact the vote has internationally.



